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NORTH KOREA SAID TO BE ARMING IRAN

U.S. Officials Say Pyongyang Is Trading Weapons for Oil

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WASHINGTON, Dec. 18 — North Korea has become the leading supplier of arms to Iran in an arrangement that has helped Iran finance its continuing war with Iraq, according to a high-ranking American defense official.

The official, Francis J. West, Assistant Secretary of Defense for International Security Affairs, said Iran had been paying North Korea partly in cash and partly in oil.

Military analysts, who provided details at Mr. West's request, said North Korea had provided about 40 percent of the approximately \$2 billion worth of weapons, ammunition and equipment Iran acquired abroad this year.

Ignoring OPEC Guidelines

To pay for the arms imports, oil industry analysts said, Iran has increased its oil production beyond the limits set by the Organization of Petroleum Exporting Countries. They said it had also cut prices below those of OPEC and established the guns-for-oil bartering arrangement with North Korea.

The oil ministers of OPEC are meeting today in Vienna to try to reach agreement on the allocation of oil production ceilings among its members against a background of an effort by Iran to increase its production that is threatening a split in the cartel. [Page 13.]

North Korea has maintained good relations with the Soviet Union and with China and has accepted military aid from both. North Korea, according to Andrew J. Pierre in his book, "The Global Politics of Arms Sales," has "received assistance from Moscow in

developing co-production and assembly plants for weapons, especially artillery pieces."

North Korea obtains arms primarily from the Soviet Union, and specialists on the Persian Gulf region said the North Korean arms shipments appeared to be part of an intensive Soviet effort to gain influence in Iran.

How successful that effort has been is unclear. Intelligence officials said earlier that arms obtained by Iran from North Korea, Libya, Syria, Israel, the Soviet Union and several Western European countries had enabled Iran to continue the war with Iraq, which is supported by Saudi Arabia and other Arab nations.

They said the arms sales might permit Iran to prevail and thus to spread its Islamic revolution as Ayatollah Ruhollah Khomeini, the Iranian leader, seeks to oust President Saddam Hussein in Iraq.

In an interview, Mr. West described the Iran-Iraq war as a standoff, with each side trying to wear down the other.

In surpassing other suppliers of arms to Iran, North Korea has, according to the military analysts, shipped 150 Russian-made T-62 tanks, 400 guns, 1,000 mortars, 600 anti-aircraft machine guns, 12,000 smaller weapons and ammunition obtained either from the Soviet Union, China or produced in North Korea itself. Most of the shipments have been by sea although Iranian 747 aircraft have flown parts from Pyongyang through Peking to Teheran, the intelligence officials said.

'Russians Using Their Proxies'

North Korea has also sent 300 military instructors to Iran, military analysts said. Many North Korean officers have been trained by the Soviet Union.

"The Russians are using their proxies on this case," said Alvin J. Cottrell of the Center for Strategic and International Studies at Georgetown University here. "That is one way the Soviets can help Iran, which the Soviets want to do very much."

Mr. Cottrell said "the Russians don't know any better than anybody else who to get hold of in Iran," with its murky politics under Ayatollah Khomeini.

"What they are doing is getting ready for the post-Khomeini period," he said.

Sources Are Not Disclosed

The military analysts declined to disclose their methods of obtaining information on North Korean arms shipments. But satellite and aerial photography is capable of getting close-up pictures of ship loadings or unloadings. Ships from North Korea to Iran must pass by American warships and under aircraft from carriers in the East and South China Seas and the Indian Ocean.

Iran appears to have paid for the weapons from a \$4.2 billion special military budget added to the regular mili-

tary appropriation for this year. Those funds also covered war damage repair, imports of refined oil products, and refugee relief, according to Shaul Bakhash of the Brookings Institution, a research organization here.

In turn, the funds have come from a resurgence of Iranian oil production. Mr. Bakhash wrote recently that oil "accounts for over 80 percent of all Government revenues and now constitutes over 90 percent of foreign exchange earnings."

Before the revolution that brought Ayatollah Khomeini to power in 1979, Iran produced 5.5 million barrels of oil a day. That dropped to a low of 600,000 barrels a day in October 1980, then rose slowly to average 1.4 million barrels a day in 1981.